

1 Verizon perceives their child to be quite pretty
2 and ours to be quite ugly.

3 In any event, we have put services in in
4 New York using the qualification tool. None of
5 them have experienced service quality problems in
6 the process of the provisioning or after
7 provisioning.

8 And there has been no need to modify any
9 of the Verizon systems to accept our indication
10 that the loops qualify, and to the extent that
11 after this point loops were being rejected because
12 they did not use the Verizon system, it was because
13 a new system capability was introduced after we
14 started using this tool.

15 MR. RUBIN: And as you understand the AT&T
16 contract language, who is responsible, if AT&T does
17 not use the Verizon tool for loop qualification?

18 MR. PFAU: First off, we would use the
19 loop qualification tool if we were line sharing.
20 If we were line splitting, we would have the option
21 to use either our tool or their tool. If we used
22 our tool, we would be in the hot seat with the

1 customer for any of the service quality problems.

2 MR. RUBIN: Thank you.

3 REDIRECT EXAMINATION

4 MS. McCLELLAN: I have two redirect
5 questions. I will try to go backwards because it's
6 fresh in everybody's mind, but Mr. White, do you
7 have any experience with AT&T's qualification tools
8 that Mr. Pfau was just speaking to?

9 MR. WHITE: Yes, absolutely. If they
10 tested their loop qualification tool on the orders
11 that they processed in New York, number one, the
12 volumes were very insignificant, and number two,
13 there were all in a very urban area where the loops
14 were less than 3,000 feet, so the tool would have
15 been totally useless.

16 MS. McCLELLAN: Ms. Clayton, earlier you
17 got some questions about if a CLEC ordered a loop
18 that had been used to provide DSL services, and I
19 want to ask a follow-up on that question.

20 MR. RUBIN: Could you speak a little
21 louder, please.

22 MS. McCLELLAN: Yes, I'm sorry.

1 If a CLEC or DLEC purchased a stand-alone
2 loop and used that loop to provide DSL service,
3 would Verizon have any record that the loop was
4 used to provide the DSL service?

5 MS. CLAYTON: If the loop were not ordered
6 using the specific NC, network channel, network
7 channel interface codes that we developed for
8 digital loops, then no, we would not know. If they
9 ordered a two-wire analog loop and attempted to
10 place data over it, we would have no record of it
11 and we would not know that was happening.

12 In that case, that data service would not
13 be protected from things like network
14 rehabilitations or cable jobs or that type of
15 activity that may throw the data provider out of
16 service, so a CLEC would need to order a data loop
17 using the very specific codes that we've set up for
18 data service.

19 MS. McCLELLAN: Thank you. No further
20 questions.

21 MR. DYGART: Okay, then at this point I
22 think it makes sense to move a continuation of

1 issue IV-14, which we started to get into this
2 morning, the definitional questions surrounding
3 advanced services that we postponed until after we
4 got through the advanced services panel. But I
5 guess that's something on which the parties had
6 waived cross, so the only question is, who do we
7 need to be asking the questions of?

8 MR. STANLEY: Well, issue IV-14 was on the
9 UNE panel. So I believe it would involve bringing
10 the UNE panel back, so I guess it's a choice that
11 we could go ahead with advanced services retail and
12 keep--resale and keep this panel here or we could
13 bring back the UNE panel and do IV-14.

14 MS. FAGLIONI: From our perspective it may
15 be that despite where it appeared in the JDPL or in
16 the issue groupings that our witnesses might be the
17 right ones to address the questions you have about
18 the definitions.

19 MR. STANLEY: Okay.

20 MS. FARROBA: Maybe we could just call up
21 the witnesses that were answering on IV-14 and add
22 them to this panel, and whoever is the most

1 appropriate can answer. It looks like Verizon
2 would be--has some witnesses up here. I don't know
3 if AT&T--

4 MR. PFAU: It's not our issue.

5 MS. SCARDINO: We have our witness on the
6 panel right now.

7 MS. FARROBA: So, then I think we could
8 proceed with the people that are actually--

9 MR. DYGART: Finish up, then, with IV-14
10 and then hopefully move on to the retail issues.
11 Is that acceptable?

12 MR. STANLEY: I have a question for
13 WorldCom on--in Section 4.2.2 relating to IDLC,
14 4.2.2 of the WorldCom proposed language. Where it
15 discusses if a loop served by IDLC is ordered, on
16 the third line it refers to placing it on to all
17 copper facilities.

18 I just want to make clear WorldCom's
19 position, is WorldCom only seeking that Verizon
20 move a loop to available copper facilities?

21 MR. LATHROP: Yes.

22 MR. STANLEY: Thank you.

1 I have a question about Section 4.2.4.
2 Just a couple of paragraphs down. This is for
3 WorldCom.

4 Could you please--well, first of all, do
5 you know if there was testimony submitted on this
6 paragraph in particular? I'm unclear as to what
7 operationally WorldCom is seeking.

8 MR. LATHROP: I don't believe there was
9 testimony submitted on this.

10 MR. STANLEY: Then I would just ask you if
11 you could please explain what WorldCom is seeking
12 by this language and what this arrangement would
13 look like and what this arrangement would enable
14 WorldCom to achieve.

15 MR. LATHROP: The language as written
16 would permit WorldCom to access a DSL loop at a
17 Verizon ATM switch, and we would be willing to
18 delete this language, to withdraw the language as
19 part of the negotiation we did with a lot of the
20 line sharing.

21 MR. STANLEY: Okay. Then I guess I don't
22 have a question about it anymore.

1 MS. SCARDINO: Excuse me. There may be a
2 few--if you have further questions on this section,
3 there may be a few sections that fall into this
4 category of ones where they have either been
5 dropped or resolved or we've agreed to delete, so
6 if I may instruct Mr. Lathrop if you received that
7 question, you could just affirmatively state where
8 this issue falls, whether the contract language is
9 still--has been resolved or whether it should be
10 deleted.

11 MS. FARROBA: That's one of the things we
12 are trying to do is clarify what is still at issue.
13 So, that would be helpful. Thanks.

14 MR. STANLEY: My next question was on
15 central office access to IDLC. I'm not sure if it
16 falls into the category of withdrawn language.
17 It's Section 4.2.14.

18 MR. LATHROP: What is the question?

19 MR. STANLEY: My question is--should I ask
20 a question?

21 MS. SCARDINO: I believe this section also
22 will be deleted as a result of our discussions with

1 Verizon.

2 MR. STANLEY: Okay, thanks.

3 Next is--this is Section 4.2.11.2, Binder
4 Group Management, and 4.2.11.13, elimination of
5 interfering technologies.

6 I would also ask, is that language
7 withdrawn or should I ask the question?

8 MR. LATHROP: With 4.2.11.2, you should
9 ask the question--and I'm sorry, what was the
10 second?

11 MR. STANLEY: The next section, 4.2.11.3.

12 MR. LATHROP: Yes, ask that one also.

13 MR. STANLEY: Okay. Again, I'm just
14 looking for clarification of what exactly WorldCom
15 is seeking.

16 First of all, it's a question, just a
17 definitional question. Is an AMI T1, is your
18 understanding of that the same thing as an analog
19 T1?

20 MR. LATHROP: Yes.

21 MR. STANLEY: Okay. Are you familiar with
22 paragraph 217 to 220 of the FCC's line sharing

1 order where it sets out where it talks about analog
2 T1s in the context of interfering technologies?

3 MR. LATHROP: Generally, yes.

4 MR. STANLEY: Okay. And that section
5 discusses having a state act to set rules or
6 procedures for the removal or the disposition of
7 interfering technologies like analog T1s?

8 MR. LATHROP: Yes. The disposition was
9 left to the states, and this language was proposed
10 to Verizon originally as a method, proposed method,
11 of that disposition.

12 MR. STANLEY: Great. That's just what I
13 was looking for.

14 So, by this language, is WorldCom
15 effectively asking the arbitrator to--or by this
16 language, is WorldCom seeking to preclude the
17 deployment of new AMI T1s by Verizon?

18 MR. LATHROP: Without finding if you're
19 citing specific language, I noted in the line
20 sharing reconsideration order that Bell Atlantic
21 had stated that since July of '98, its policy has
22 been not to design new AMI T1 carrier spans, so if

1 you are reading a section that said that, the
2 answer is yes, and I wouldn't think there would be
3 a conflict with Verizon's policies.

4 MR. STANLEY: Okay. This section also has
5 language about the removal of existing AMI T1s.

6 My question is, has WorldCom in testimony
7 offered any evidence to suggest why this type of
8 disposition of existing AMI T1s is appropriate in
9 Virginia?

10 MR. LATHROP: No.

11 MR. STANLEY: Has Verizon reviewed this
12 language?

13 MR. WHITE: I have looked at it.

14 MR. STANLEY: Okay. Does Verizon oppose
15 the inclusion of this language?

16 MR. WHITE: There's a couple of things
17 here. Number one, AMI T1 is not analog. It's
18 digital. It's amplitude modulated, and it is an
19 interfering technology that the FCC has recognized
20 that Verizon is no longer deploying.

21 We do identify, and we do identify binder
22 groups that have AMI T1 in it, and we assign DSL in

1 different binder groups to avoid interference, and
2 we don't see any need to remove it at this time.
3 We haven't had that demand of DSL. It's normally
4 not in the same feeder pairs it would go AMI T1s.

5 MR. STANLEY: From what WorldCom
6 understands of that process that Verizon's witness
7 just described, would that present a problem, an
8 operational problem for WorldCom in Virginia if
9 Verizon were to follow those policies with respect
10 to AMI T1s?

11 MR. LATHROP: No, I don't think so.

12 MR. STANLEY: Okay. My next question is
13 about Section 4.2.5 of WorldCom's proposed
14 language.

15 MS. SCARDINO: That has been removed as
16 well as a result of negotiations.

17 MR. STANLEY: Section 4.2.6.

18 MS. SCARDINO: Yes, as well as 4.2.7 and
19 4.2.8.

20 MS. FARROBA: Have been removed?

21 MS. SCARDINO: Yes.

22 MR. STANLEY: The paragraph on the

1 definitional paragraph on the NID, I don't have the
2 number for that, on the network interface device.

3 MS. SCARDINO: 4.2.8 deals with access to
4 the NID.

5 MR. STANLEY: Has that been withdrawn?

6 MS. SCARDINO: I don't believe so. I will
7 let the witness talk about that.

8 MR. STANLEY: Then I just have a very
9 simple question. Is that intended just as a
10 placeholder or a reference to another section, or
11 is WorldCom seeking anything substantive by
12 including that there? I understand that the
13 network interface device is dealt with in a
14 separate section of this Interconnection Agreement.

15 MR. LATHROP: Yes, and I would say that in
16 that section issue in which we address the NID, the
17 Section 4.2.8 would come under that NID issue.

18 MS. SCARDINO: Just to clarify, we are not
19 seeking anything different than we are seeking in
20 the definitional section of the NID, which is in
21 4.7.1.

22 MR. STANLEY: And the same question with

1 respect to the definition of the subloop UNE. Do
2 you have the section number of that?

3 MS. SCARDINO: One definition in 4.3.1.

4 MR. STANLEY: I don't have any question
5 about the subloop UNE.

6 MS. SCARDINO: If I may, also there are
7 three other sections that I did not mention that
8 are also removed, so just to clarify the record, I
9 could recite those.

10 MR. STANLEY: Please.

11 MS. SCARDINO: 4.2.13, 4.2.14, and 4.4.3.

12 MR. STANLEY: Is it 4.2.14 and the
13 subsections .1, .2, .3?

14 MS. SCARDINO: Yes.

15 MR. STANLEY: Okay. What was the final
16 one?

17 MS. SCARDINO: 4.4.3 relating to
18 conditioning.

19 MR. STANLEY: Okay. That's all the
20 questions I had on issue IV-14.

21 MR. DYGART: Then, by my count, we should
22 move to resale. Is that this group of witnesses

1 only or do we need to add or subtract some?

2 MR. KEFFER: Probably you want to deal--

3 MS. McCLELLAN: I was going to suggest age
4 before beauty, but that's okay. Sorry.

5 There is some overlap on issue of V-9
6 between the advanced services panel and the resale
7 panel. Only two of the advanced services panel
8 witnesses would be likely to answer any questions
9 on that, and that is Ms. Clayton and Mr. White.
10 So, I would suggest that we excuse Mr. Richard and
11 Mr. Rousey so they could enjoy part of their
12 Friday.

13 MR. WHITE: I have to get the same taxi
14 Mr. Richard does to the airport.

15 MR. ROUSEY: That would imply we haven't
16 enjoyed this.

17 MR. DYGART: Is that all right with
18 petitioners?

19 MR. RUBIN: Fine with me. For the resale
20 of DSL. Go ahead, sir.

21 MR. KEFFER: Objection. They could put
22 whoever they need on to answer your questions.

1 It's up to them.

2 MS. FARROBA: Okay.

3 MR. DYGART: That's consistent with your
4 understanding of who you need to ask questions of,
5 though, to the extent you have one?

6 MR. RUBIN: Yes.

7 MR. DYGART: Mark, you had something you
8 were going to add?

9 MR. KEFFER: I was going to suggest you
10 split V-9 and the other one, V-10 because they're
11 really dramatically different.

12 MS. McCLELLAN: Yes.

13 MR. DYGART: Okay. Well, at this point,
14 then, thank you.

15 (Brief recess.)

16 MR. DYGART: Would you all identify
17 yourselves for the record, and we will swear in
18 Ms. Maher.

19 MS. MAHER: Josephine Maher.

20 MR. WHITE: John White, Verizon.

21 MS. CLAYTON: Rose Clayton, Verizon.

22 MR. PFAU: Mike Pfau, AT&T.

1 MR. KIRCHBERGER: Bob Kirchberger, AT&T.

2 Whereupon,

3 JOSEPHINE MAHER

4 was called for examination by the Commission and,
5 after having been duly sworn by the notary public,
6 was examined and testified as follows:

7 MR. DYGART: And I lost track of who
8 should go first.

9 MR. RUBIN: I will go first.

10 CROSS-EXAMINATION

11 MR. RUBIN: The first question, I assume,
12 is taken care of by the recent Common Carrier
13 Bureau order. There had been some discussion
14 before about whether VADI, should be a part of this
15 negotiation. I assume that Verizon agrees that in
16 light of the Common Carrier Bureau's order it's
17 appropriate now to fold those discussions and
18 negotiations into this agreement; right?

19 MS. McCLELLAN: I think the FCC's order
20 will speak for itself.

21 MR. RUBIN: Fine. Currently, Verizon has
22 or is implementing a service called DSL over resold

1 voice; is that correct?

2 MS. CLAYTON: Yes.

3 MR. RUBIN: What states is that service
4 available in today?

5 MS. CLAYTON: I know for a fact that it's
6 being implemented initially in Connecticut. I also
7 know that it's not--although the plans are in place
8 for resold--for DSL over resold lines, that is not
9 ready in Virginia yet.

10 MR. RUBIN: When did you expect it to be
11 ready in Virginia?

12 MS. CLAYTON: I don't have a timeline.

13 MR. RUBIN: Is the testing still going on
14 in Connecticut and Pennsylvania for this product?

15 MS. CLAYTON: I believe so, yes.

16 MR. RUBIN: What's the status of the test?

17 MS. CLAYTON: I can't answer that. I'm
18 not directly a part of the test.

19 MR. RUBIN: The facilities that are used,
20 the physical facilities that are used to provide
21 the DSL over resold voice are the same as are used
22 in a VADI Verizon line sharing arrangement, aren't

1 they?

2 MR. WHITE: Physically they could be.
3 Service, though, includes--when you're talking
4 service you're including more than just facilities.

5 MR. RUBIN: But the physical facilities
6 are the same, are they not?

7 MS. CLAYTON: Basically.

8 MR. WHITE: Yeah.

9 MR. RUBIN: And the way that generally
10 works is that the loop is swung to a Verizon
11 co-location where there's a splitter; is that
12 correct?

13 MR. WHITE: The loop is wired through the
14 splitter, the DSLAM. The retail service also
15 includes all of the connections all the way back to
16 the ATM, and there is either an ATM handoff or ISV
17 handoff.

18 MR. RUBIN: That's on the advanced
19 services side?

20 MR. WHITE: That's all part of the
21 service.

22 MR. RUBIN: That's two pieces to it.

1 MR. WHITE: There's many pieces to it.

2 MR. RUBIN: There's two pieces to the
3 service. There's the service over the high
4 frequency and the service over the low frequency?

5 MR. WHITE: No. It's all one service.
6 There's many pieces that make up the service.

7 MR. RUBIN: Fine.

8 Your current offer does not include DSL if
9 the voice carrier is using UNE-P; is that correct?

10 MS. CLAYTON: It does not.

11 MR. RUBIN: If such a service were to be
12 made available, it would use the same physical
13 facilities, would it not, as DSL over resale?

14 MS. CLAYTON: I can't answer that. I
15 think it's premature to answer that question. We
16 have not analyzed that scenario at all.

17 MR. RUBIN: You have--it's true, isn't it,
18 that UNE-P is offered in the same way as a retail
19 service?

20 MS. CLAYTON: Basically, yes.

21 MR. RUBIN: Do you have any reason to
22 believe that it wouldn't be offered over the same

1 facilities, physical facilities, assuming that the
2 loop is qualified?

3 MS. CLAYTON: Excuse me a minute.

4 Can you go back to read the last question
5 and answer?

6 (Whereupon, the Court Reporter read back
7 the previous question.)

8 MS. CLAYTON: I say basically because
9 UNE-P is really a wholesale offering.

10 MR. RUBIN: Do you have any reason to
11 believe that the physical facilities--do you have
12 any reason now to believe that the physical
13 facilities that would be involved in a DSL resale
14 over a UNE-P would be different from the physical
15 facilities that are used in DSL over resold voice
16 service?

17 MS. CLAYTON: Off the top of my head, I
18 can't think of any--no, I cannot. But I know there
19 are operational aspects of this that we have not
20 even begun to look at yet.

21 MR. RUBIN: That's fine. The current
22 offer also does not provide for DSL resale when the

1 voice carrier provides voice service using a UNE
2 loop configuration; is that correct?

3 MS. CLAYTON: That's correct.

4 MR. RUBIN: And in that kind of
5 arrangement the CLEC has its co-location through
6 which the loop is routed to provide the voice
7 service; right?

8 MS. CLAYTON: In what kind of arrangement?

9 MR. RUBIN: In the UNE loop arrangement.

10 MS. CLAYTON: What is your question again,
11 please.

12 (Whereupon, the Court Reporter read back
13 the previous question.)

14 MS. CLAYTON: Voice or data?

15 MR. RUBIN: If it's using a UNE loop, it
16 would be--it would use its own facilities to
17 provide the voice service, at least; right?

18 MS. CLAYTON: Yes.

19 MR. RUBIN: Okay.

20 Now, if the CLEC wanted to be able to
21 access the Verizon DSL service, is it not possible
22 to route the voice frequency, the low frequency

1 from the splitter back through a series of
2 cross-connects into the Verizon advanced data
3 network?

4 MS. CLAYTON: I'm not sure what scenario
5 you're asking me about. Are you asking for resold
6 DSL over a particular type of facility or a UNE-P
7 configuration?

8 MR. RUBIN: No.

9 MS. CLAYTON: Over a loop?

10 MR. RUBIN: I'm confining my discussion at
11 the moment to UNE loop configuration. In UNE loop
12 configuration, we've agreed the loop is routed to
13 the CLEC co-location. There is a splitter. We are
14 going to assume that the voice traffic will go out
15 to the CLEC's switch, wherever it is, to provide
16 voice service.

17 Are you with me so far?

18 MS. CLAYTON: You're talking about line
19 splitting at this point?

20 MR. RUBIN: No.

21 MS. CLAYTON: Okay.

22 MR. RUBIN: Now, the CLEC wants to be able

1 to use that loop also to obtain access to the
2 Verizon advanced data service. Physically, in
3 order to provide that service, what would
4 happen--wouldn't it, would be for the high
5 frequency signal from the splitter to be routed
6 back from the co-location to the Verizon advanced
7 services network?

8 MR. WHITE: Somehow you have just painted
9 a scenario that we have actually never talked
10 about, and that is you're providing dial tone out
11 of your co-lo or on a loop, and now we got to get
12 data to that. And every other scenario we talked
13 about with line sharing, line splitting, it's
14 always been the voice--we have routed the voice to
15 the co-location, and the data is added at the
16 splitter and come back out on the loop, but now you
17 have created a scenario where the voice is in the
18 co-lo coming out on the loop, and you want us to
19 get data to it.

20 I honestly can tell you this is not a
21 scenario that we have ever discussed up to this
22 point.

1 MR. RUBIN: I didn't ask whether you
2 discussed it or not.

3 Isn't it technically feasible to do that?

4 MR. WHITE: I don't know.

5 MS. CLAYTON: We never looked at the
6 situation. That's what we're trying to say.

7 MR. RUBIN: Is it technically feasible to
8 route high frequency signals back from a CLEC
9 co-location to the Verizon data network?

10 MS. McCLELLAN: I think that they already
11 answered that question.

12 MR. RUBIN: I'm not sure they have.

13 MS. McCLELLAN: I believe you asked is it
14 technically feasible and Mr. White and Ms. Clayton
15 said no.

16 MR. WHITE: I can think of the scenario
17 described in my answer would be a crisp no because
18 you're going to need a splitter where you have your
19 co-lo, and it's going to come back to our location
20 where there is another splitter, and it's a
21 disconnect there in the process.

22 MR. RUBIN: Why would there be another

1 splitter?

2 MR. WHITE: You need a splitter in order
3 to separate the voice and the data coming from the
4 loop to your co-lo, and we have a splitter on the
5 DSLAM, so you've got a splitter behind a splitter.

6 MR. RUBIN: If the CLEC deployed its
7 splitter in virtual co-location, could you take the
8 high frequency signal from the splitter, which is
9 located in a place where Verizon can get to it and
10 route it to the Verizon data network?

11 MR. WHITE: That's a very different design
12 than the existing VADI DSLAM configuration.
13 Anything technically can be done, but what you've
14 described is very different than anything that's
15 been engineered, and I'm sure if we sat down here
16 for a week we could figure out technically some way
17 to do it.

18 MR. RUBIN: Thank you.

19 MR. WHITE: But...

20 MR. RUBIN: That's it.

21 MS. SCARDINO: I have a few questions.

22 CROSS-EXAMINATION

1 MS. SCARDINO: Does Verizon provide a
2 retail service in Virginia that is voice and DSL
3 over the same line of retail service?

4 MS. CLAYTON: Verizon provides voice over
5 a loop--

6 MS. FAGLIONI: Hold on one second. What's
7 WorldCom's issue here?

8 MS. SCARDINO: Our issue for DSL resale is
9 available--is scheduled for next week. However,
10 it's our understanding that the Verizon panel is
11 not available next week, so we had agreed to be
12 able to ask questions today.

13 MS. FAGLIONI: It is which issue? IV-84?

14 MS. KELLEY: IV-84.

15 MS. SCARDINO: It's the same issue that
16 AT&T was just questioning on.

17 MS. CLAYTON: I think your question was
18 you're asking if Verizon provides both voice and
19 data over a loop today.

20 MS. SCARDINO: Does Verizon offer a retail
21 service of voice and data to consumers in Virginia?

22 MR. WHITE: As a package, you're saying as

1 a bundled package?

2 MS. SCARDINO: Can a consumer in Virginia
3 obtain voice and data over the same line from
4 Verizon in Virginia?

5 MR. WHITE: Yes.

6 MS. SCARDINO: Okay. And, Ms. Clayton,
7 you testified that Verizon has a DSL over resold
8 lines service available or product available
9 currently today in Connecticut.

10 MS. CLAYTON: They're working on a service
11 and are making it available initially in
12 Connecticut.

13 MS. SCARDINO: Will that service be
14 available in--is that service going to be available
15 in any other Verizon state?

16 MS. CLAYTON: I believe it is, but I don't
17 have the timeline.

18 MS. SCARDINO: Is the physical connection,
19 and when I say physical connection, I mean the
20 connection, the technical configuration in the
21 central office, for Verizon's--for the retail
22 service that Verizon offers to end users, the same

1 as the physical connection for the DSL over resold
2 lines offering that Verizon plans to roll out in
3 Connecticut?

4 MS. CLAYTON: Basically, yes.

5 MS. SCARDINO: Okay. Thank you. No more
6 questions.

7 MR. DYGART: At this point I guess
8 Verizon--

9 MS. McCLELLAN: Are we doing redirect
10 first or cross?

11 MR. DYGART: Cross.

12 MS. McCLELLAN: I have, I believe, one,
13 maybe two questions that are related to a cross
14 exhibit.

15 MR. DYGART: Before you get started, let
16 me ask this. It's now 5:10. We think we have very
17 limited questions for this panel. So it makes
18 sense to continue, then?

19 CROSS-EXAMINATION

20 MS. McCLELLAN: Yes.

21 One question about an exhibit we are
22 having passed around, I ask be marked as Verizon

1 Exhibit 44.

2 (Verizon Exhibit No. 44 was
3 marked for identification.)

4 MS. McCLELLAN: And this is AT&T's
5 response to Verizon Virginia's data request 28, and
6 actually take a moment to--are you familiar with
7 this response?

8 MR. PFAU: Yes.

9 MS. McCLELLAN: Would AT&T's response to
10 this data request be the same where Verizon or VADI
11 provides resold data over UNE-P?

12 MR. PFAU: I think it would be because the
13 question says is are we under obligation to allow a
14 CLEC to add itself to our UNE-P or UNE-L
15 configuration? And our response is that we own the
16 whole loop when we buy it under UNE-P or UNE-L, and
17 we're not bound by an unbundling obligation, so any
18 arrangement that was established should be a
19 voluntary business arrangement as opposed to a
20 legal obligation under the Act.

21 MS. McCLELLAN: Is that a yes?

22 MR. PFAU: I think that's what that says,

1 and I think it doesn't make a distinction based on
2 whether it's VADI or any other data CLEC or any
3 other CLEC.

4 MS. McCLELLAN: Okay, thank you. That's
5 all I have.

6 MR. DYGART: Okay.

7 MS. McCLELLAN: I would like to move this
8 into the record.

9 MR. RUBIN: No objection for AT&T.

10 ARBITRATOR ATTWOOD: All right. It's
11 received in evidence. Verizon Exhibit 44.

12 (Verizon Exhibit No. 44 was
13 admitted into evidence.)

14 QUESTIONS FROM STAFF

15 MR. STANLEY: I have a question on issue
16 V-9 for AT&T's witness.

17 This is in reference to your testimony,
18 your direct testimony on page 58 of your direct
19 testimony.

20 MR. PFAU: Okay.

21 MR. STANLEY: Could you please explain
22 that for me. Am I right to understand that

1 scenario that you described there would cover a
2 situation where Verizon or Verizon's data affiliate
3 is line sharing with AT&T?

4 MR. PFAU: What was that? I didn't
5 question the question on that. I will have to read
6 the section.

7 MR. STANLEY: I was wondering if it
8 envisions a line sharing situation where AT&T is
9 providing the voice and Verizon or Verizon's
10 affiliate is providing the data?

11 MR. RUBIN: That would be line splitting.
12 Line sharing requires Verizon be providing the
13 voice service.

14 MR. STANLEY: Okay. Point well taken.

15 But in any case, would it be--is this
16 situation envisioning with AT&T is providing voice
17 and Verizon is providing data?

18 MR. PFAU: That's stating at that
19 question? Is that where we're starting?

20 MR. STANLEY: Right, starting at that
21 question. The only question remains is the
22 charges, dot, dot, dot.

1 MR. PFAU: Could I have your question
2 again.

3 MR. STANLEY: My question is if you could
4 just explain that again. It seems like it was
5 envisioning a situation where AT&T was providing
6 voice. Verizon was providing data. I didn't quite
7 follow that point. I just wanted to give you an
8 opportunity to explain it.

9 MR. PFAU: I think the only point we are
10 making here is the only difference between this
11 configuration and a classic line sharing
12 configuration would be AT&T owned the loop, and
13 what we are saying here is as long as we didn't
14 charge VADI or another data CLEC for that matter
15 anything greater for use of the loop than what they
16 are currently paying for the HFS, there really is
17 no real disruption of the business relationship.

18 If they are paying a dollar for the HFS,
19 just to make an example, when they were getting it
20 from Verizon, and then we went into a resale
21 relationship, it obviously wouldn't be fair to
22 charge them \$9 for the HFS, but as long as we

1 charged them the same amount, a dollar or even
2 less, then there would be no disadvantage to VADI
3 or the resell arrangement.

4 MR. STANLEY: Thanks. All I have left is
5 just a couple of questions on the issue of V-10 for
6 Verizon.

7 Is it technically feasible--

8 MS. FAGLIONI: Between the wrap-up V-9.

9 MR. DYGART: On both sides it's waived on
10 V-10?

11 MS. FAGLIONI: Do you want redirect on
12 V-9?

13 MS. McCLELLAN: Yes, one question.

14 MR. DYGART: One question on redirect or
15 V-10?

16 MS. McCLELLAN: V-9 on redirect.

17 MR. DYGART: Before we get to that,
18 though, which maybe we are doing it in the wrong
19 order, V-10 cross is waived on?

20 MS. FAGLIONI: That's correct.

21 MR. RUBIN: Yes.

22 MR. DYGART: Then go ahead and please do

1 your redirect on V-9, and then John will quickly
2 ask his question on V-10.

3 REDIRECT EXAMINATION

4 MS. McCLELLAN: Okay. Mr. White, do you
5 recall the hypothetical you were given by Mr. Rubin
6 to make a UNE loop--to connect the UNE loop to a
7 CLEC co-location space and then to connect that to
8 Verizon's DSL? Do you remember that hypothetical?

9 MR. WHITE: Yes, I do.

10 MS. McCLELLAN: And would that be--would
11 the wiring or the hardware configuration for that
12 scenario be the same as the wiring or the hardware
13 configuration for the service that Verizon would
14 have--let me start over.

15 Would the wiring or hardware configuration
16 in that scenario be the same as the wiring in the
17 hardware configuration that VADI would have in
18 place to provide the DSL service today?

19 MR. WHITE: No, it would be very
20 different. The current product, the current
21 configuration, would not be able to do that, so,
22 when I say it could technically be done, it would

1 be building something from scratch that doesn't
2 exist. It wouldn't be reusing the existing
3 hardware platform or service.

4 MS. McCLELLAN: Thank you.

5 MR. DYGART: Then we could move on to
6 staff questions on issue V-10. Resale of vertical
7 features.

8 MS. McCLELLAN: Can we also dismiss
9 Mr. White and Ms. Clayton?

10 MR. DYGART: Yes.

11 MR. STANLEY: Could you read the name
12 tags. Do you want to recognize what witnesses are
13 here.

14 MR. KIRCHBERGER: Robert Kirchberger,
15 AT&T.

16 MS. MAHER: Josephine Maher.

17 MR. STANLEY: Okay. This won't take long.
18 A couple of questions on issue V-10, resale of
19 vertical features to Verizon's witness, Ms. Maher.
20 Is it technically feasible for Verizon to offer all
21 vertical features on a stand-alone basis?

22 MS. MAHER: I guess it's the definition of

1 technically feasible. You still have to have the
2 dial tone line, the underlying dial tone line in
3 order for the feature to operate properly. So, is
4 it technically feasible as far as a billing
5 element? Yes, but as far as being able to work,
6 you still have to have the underlying dial tone
7 line.

8 MR. DYGART: Can you pull the microphone
9 towards you a little bit.

10 MS. MAHER: I'm sorry.

11 MR. STANLEY: Does Verizon permit enhanced
12 service providers, ESPs to purchase all vertical
13 features separate from dial tone service?

14 MS. MAHER: Yes, we do. We allow ESPs to
15 purchase vertical features such as call forwarding,
16 busy don't answer. And they purchase them on a
17 stand-alone basis at the retail rate, in order to
18 provide their own messaging services, their own
19 enhanced service.

20 MR. STANLEY: So, how do the ESPs handle
21 the problem of not having a Verizon dial tone?

22 MS. MAHER: The dial tone is provided by

1 Verizon to our retail end user, and the enhanced
2 service providers will purchase the call forwarding
3 busy don't answer, for an example, and we billed,
4 and this is what I meant by technically feasible
5 meaning a billing element, we would then bill the
6 enhanced service provider for that service at the
7 retail rate. But the underlying dial tone is still
8 there. I mean, it has to work that way.

9 MR. STANLEY: For AT&T, is it technically
10 feasible? Are there operational problems that
11 would happen if AT&T were to order vertical
12 features without the underlying Verizon dial tone?

13 MR. KIRCHBERGER: I think the real
14 question is can you order vertical features at a
15 wholesale discount from Verizon, whether they're
16 providing the dial tone or not, and it's AT&T's
17 desire to be able to have the opportunity to be
18 able to order vertical features. We are not
19 precluding the fact that the underlying dial tone
20 might be being provided by Verizon to the customer
21 as their retail local customers, but AT&T may
22 desire to buy in bulk vertical features from

1 Verizon to use for other services.

2 And we feel that under 251(c)(4) of the
3 Act, that that should be available to us.

4 MR. STANLEY: Thank you. And this is--I
5 will ask the question anyway. It's a legal
6 question, but it's just a factual question. I'm
7 wondering whether you or AT&T's counsel knows the
8 answer. Has AT&T appealed the Massachusetts or New
9 York decisions which ruled that Verizon does not
10 need to offer for resale its vertical features? Do
11 you know?

12 MR. KIRCHBERGER: I do not know, but I
13 will defer to legal counsel.

14 MR. LOUX: When you say the New York
15 decision, do you mean the recent arbitration award?

16 MR. STANLEY: Yes, I do.

17 MR. LOUX: I'm not aware of the time for
18 appeal not having--let me leave it this way--I'm
19 not sure we will have to get back to you, and I'm
20 afraid I'm not familiar with the Massachusetts
21 order you're referring to, so we will endeavor to
22 answer your question once I understand which order

1 is at issue.

2 MR. STANLEY: I'm afraid I don't have a
3 reference to make it easier for you.

4 MR. HALL: I think that I know the answer.
5 My name is David Hall for Verizon.

6 The Massachusetts order I think was a
7 Sprint arbitration. Highly unlikely AT&T appealed
8 it.

9 MR. LOUX: We will stipulate to that.

10 MR. STANLEY: That's fine.

11 MR. HALL: In the New York order I do not
12 think it's part of any petition for
13 reconsideration.

14 MR. STANLEY: Great. Thanks very much.
15 That's it with my questions.

16 MR. DYGART: That's it, then.

17 (Whereupon, at 5:21 p.m., the hearing was
18 adjourned until 9:30 a.m., Tuesday, October 9,
19 2001.)

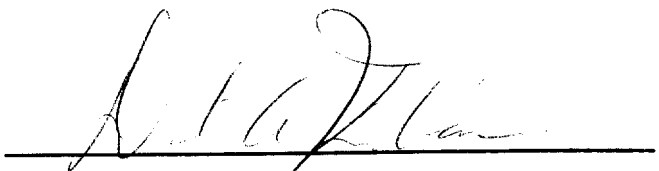
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CERTIFICATE OF NOTARY PUBLIC

I, **DAVID A. KASDAN**, RMR, the officer before whom the foregoing deposition was taken, do hereby testify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken by me stenographically and thereafter reduced to typewriting under my direction; that said deposition is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken; and further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto nor financially or otherwise interested in the outcome of the action.

A handwritten signature in dark ink, appearing to read "David A. Kasdan", is written over a horizontal line.

DAVID A. KASDAN, RMR

Notary Public in and for
the District of Columbia

My commission expires: October 1, 2004